



## Office of City Auditor Memorandum

**Date:** April 17, 2003  
**To:** Chris Philips, Accounts Receivable Supervisor, Seattle Public Utilities (SPU)  
**From:** Scottie Nix, Assistant City Auditor for Internal Controls *Scottie Nix*  
**Subject:** Cash Handling Procedures for the April 12 Rain Barrel Sale

Thank you for the opportunity to work with SPU on this project. I am always happy to work on improving the internal control systems used by City departments. I was pleased that you approached our office for advice on how to develop a cash handling process that would meet SPU's internal control objectives for the Rain Barrel sale. I believe you developed a process that provided effective controls (e.g., using cash registers) over the funds SPU handled during the April 12 event. I am also pleased that you sought assistance from the cash-handling personnel at the Department of Parks and Recreation.

We met with you initially to discuss SPU's control objectives for the sale and the proposed process flow. After this discussion, you met with the SPU employees involved in the sale and developed a process flowchart for the event. I then reviewed the flowchart and asked a few questions for clarification. During my review I observed no significant control weaknesses in your plan.

I look forward to any opportunity to work with you again.

cc: Melina Thung, Director, SPU Finance Division  
Susan Cohen, City Auditor